

Policies for the future of farming and food in the European Union: focus on innovation

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ModernAKIS webinar



How to set a course toward more sustainable agriculture in Europe?

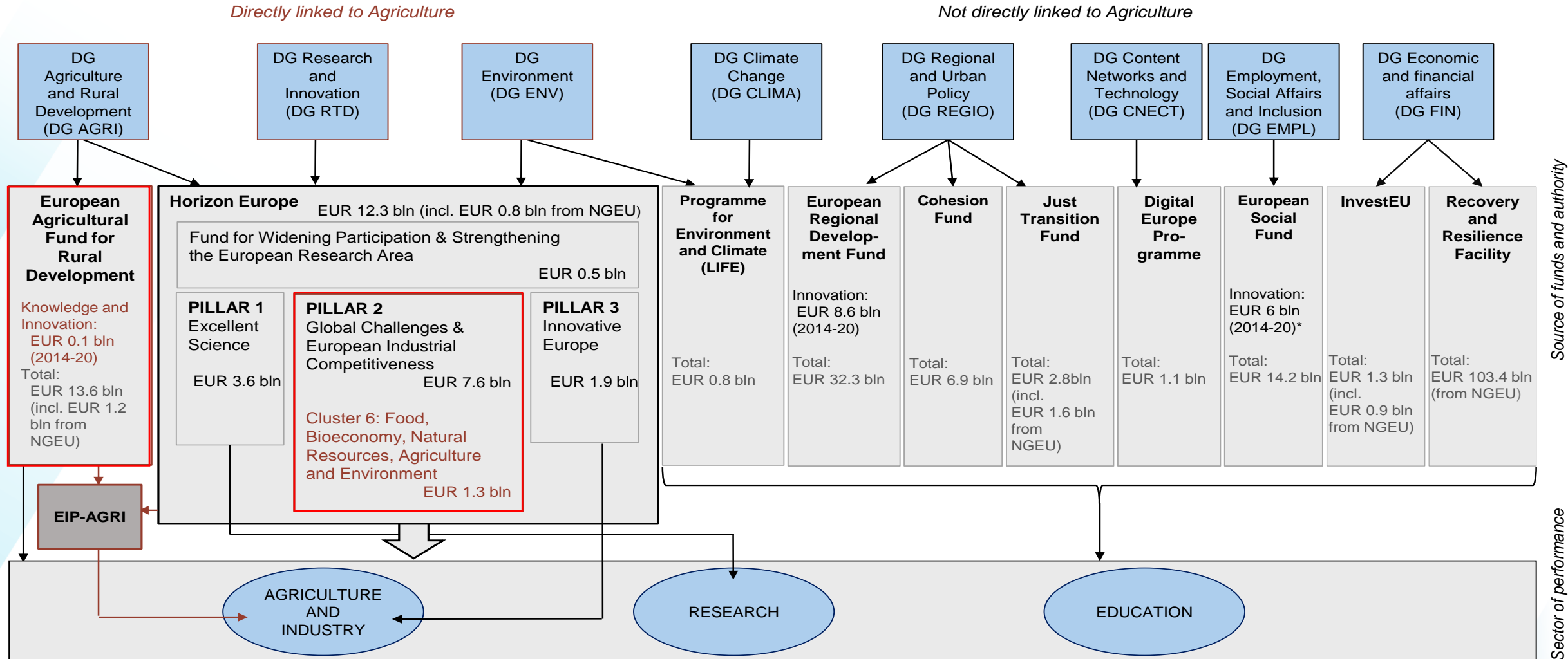
- European Green Deal and associated strategies call for transforming the EU economy
- Research and innovation (R&I) policies are key levers of the transformation
- CAP recognizes this central role of knowledge and innovation



Innovation in the EU: Focus areas

- Financial ecosystem
- Agricultural knowledge and innovation system (AKIS)
- Skills needs
- Data and evidence needs

Instruments that benefit agricultural innovation need to be well coordinated



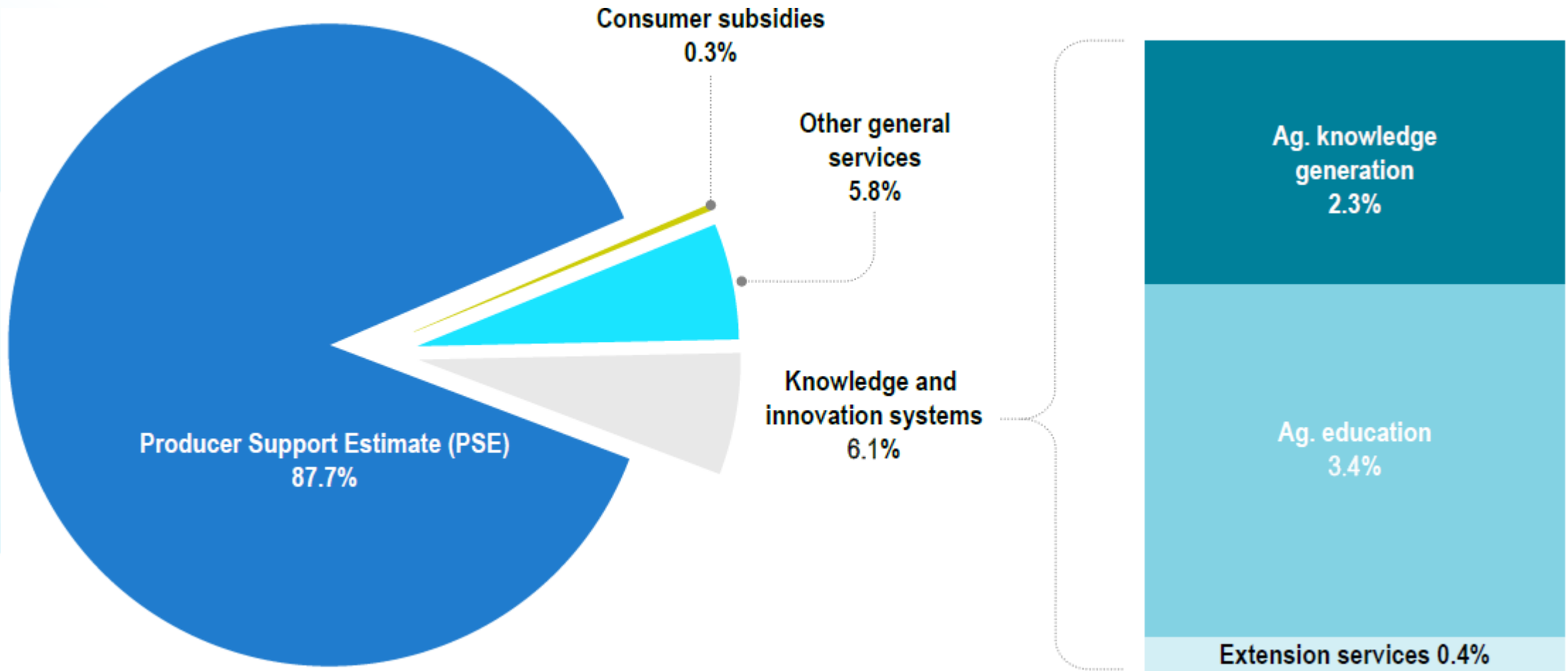
→ Funding: amounts refer to the annual average for the MFF 2021-27, unless otherwise stated

*In education and technical assistance

EUR / EUR / EUR : Funding for innovation in agriculture / Funding for general innovation / Total non-specific funding

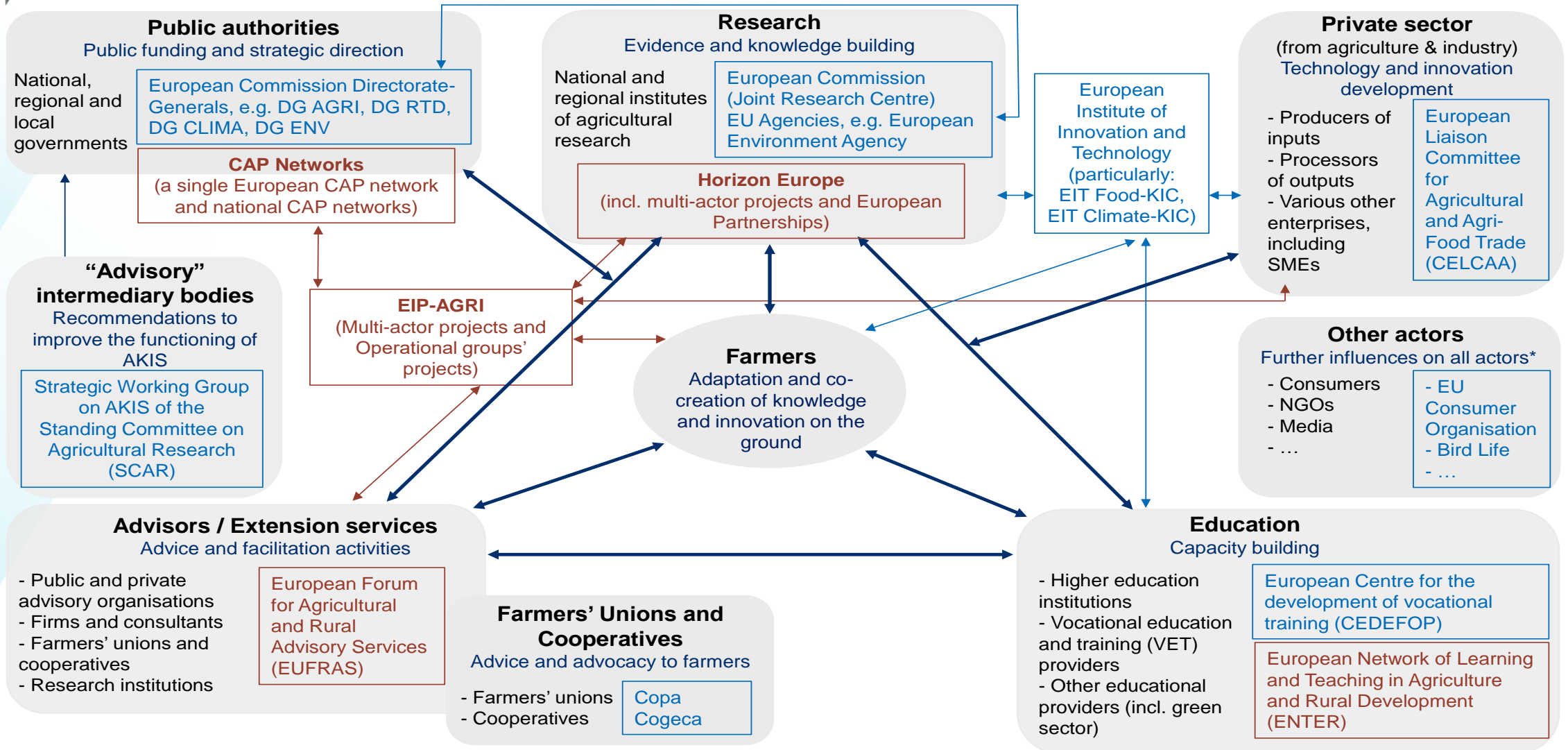


EU as a catalyst for research and innovation but resources to AKIS are relatively limited



Note: 2019-21 average. European Union refers EU28 for 2019; and EU27 and the United Kingdom for 2020; and EU27 for 2021.
Source: OECD (2022), "Producer and Consumer Support Estimates" database

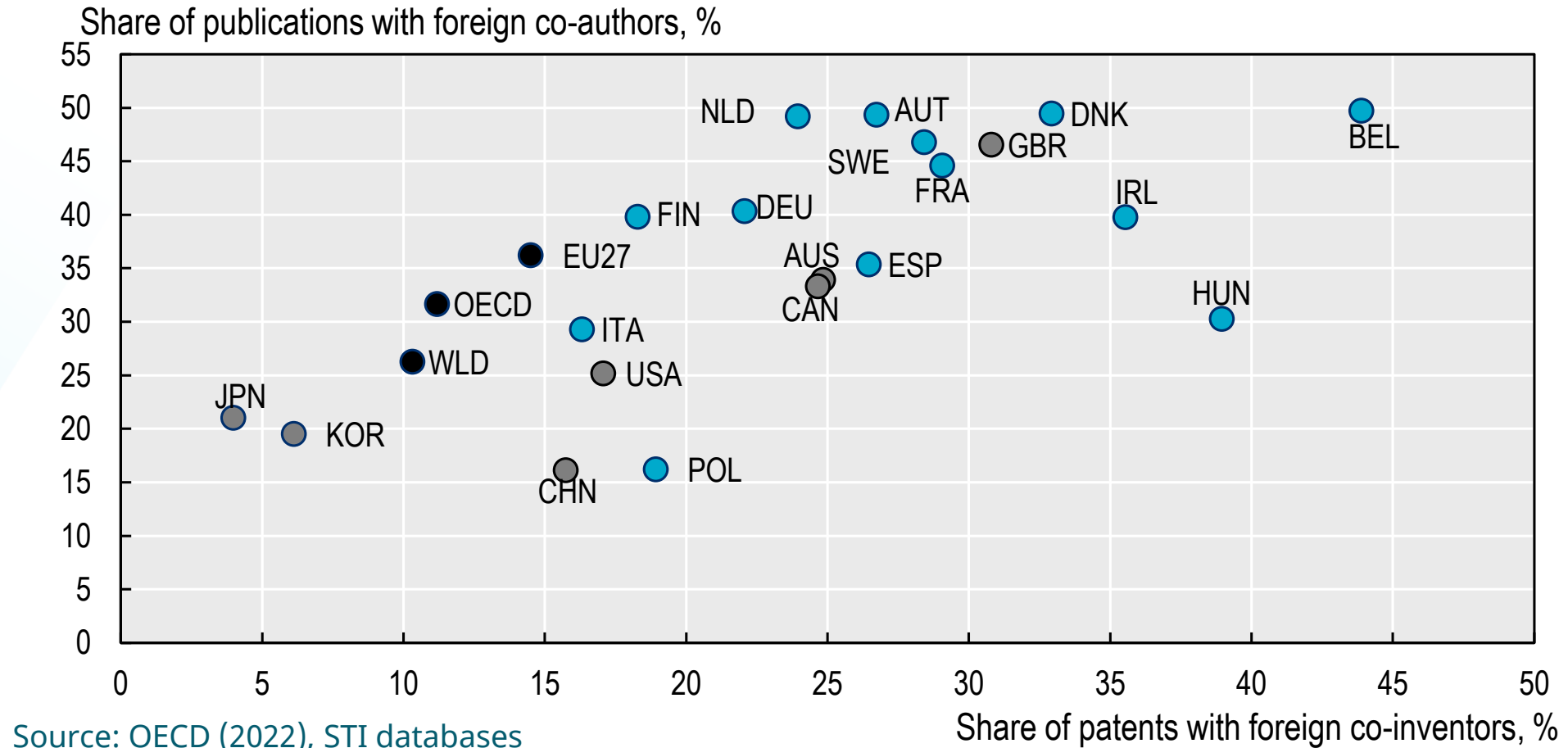
The EC provides a well-functioning framework for the complex system of AKIS actors



Examples of: EU-level actors, national actors, EU instruments, networks and initiatives; * selected arrows not shown for simplification



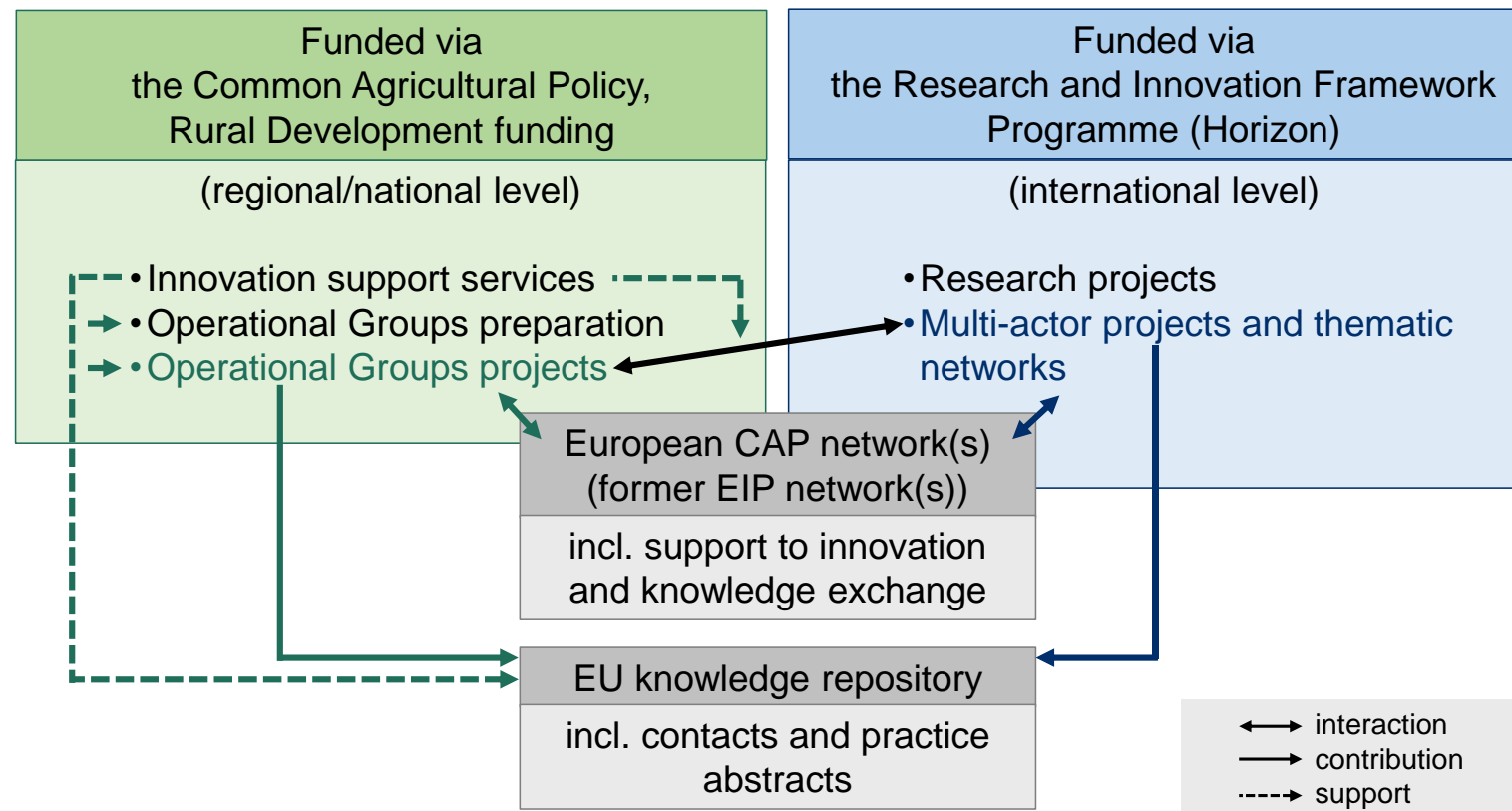
Research and innovation programming is good at fostering cooperation between countries





EIP-AGRI is a promising mechanism for fostering co-creation of knowledge and innovation

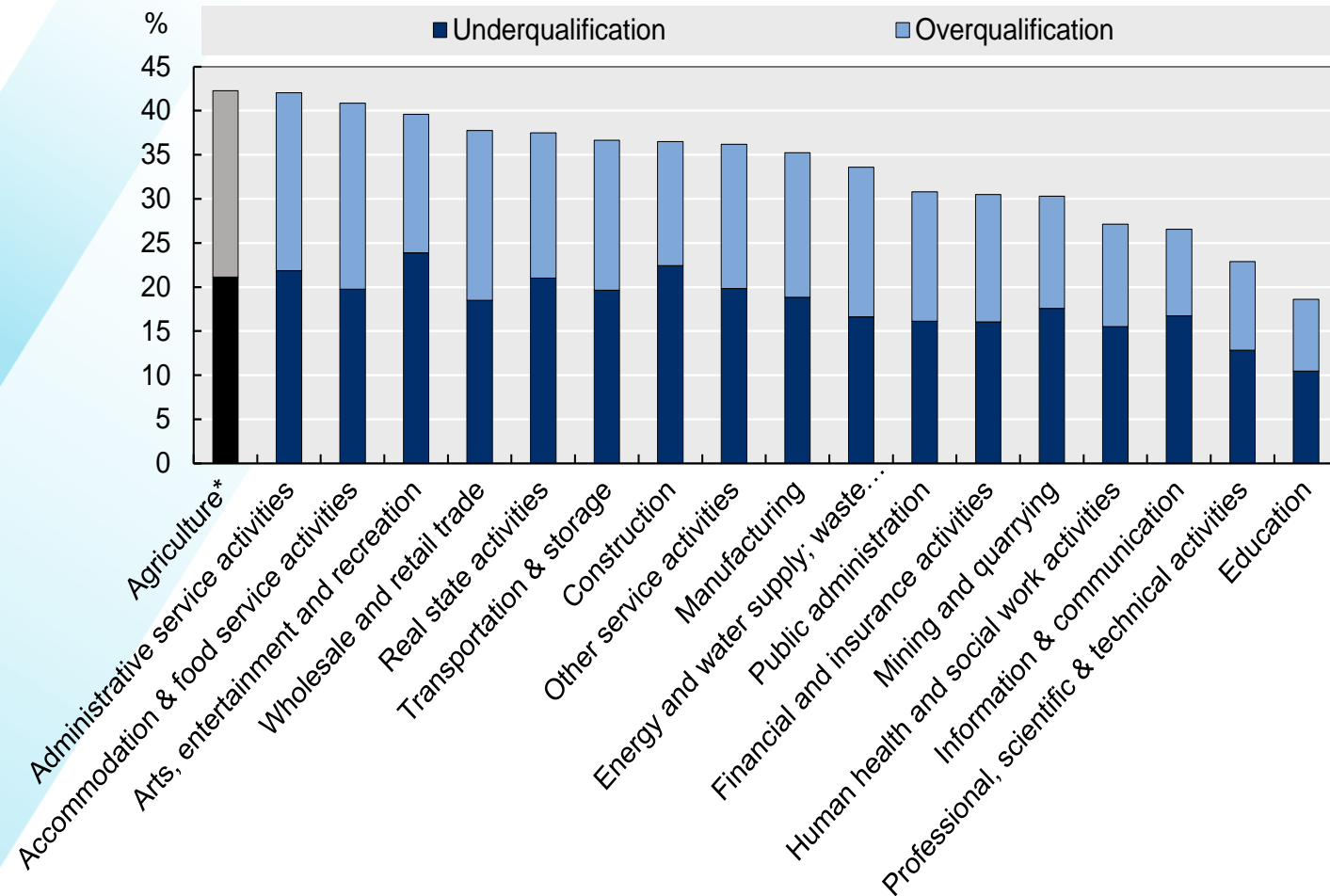
- EIP-AGRI is based on the principles of the interactive innovation model
- Operational Groups (OGs) can serve as a space for learning both practices and policies





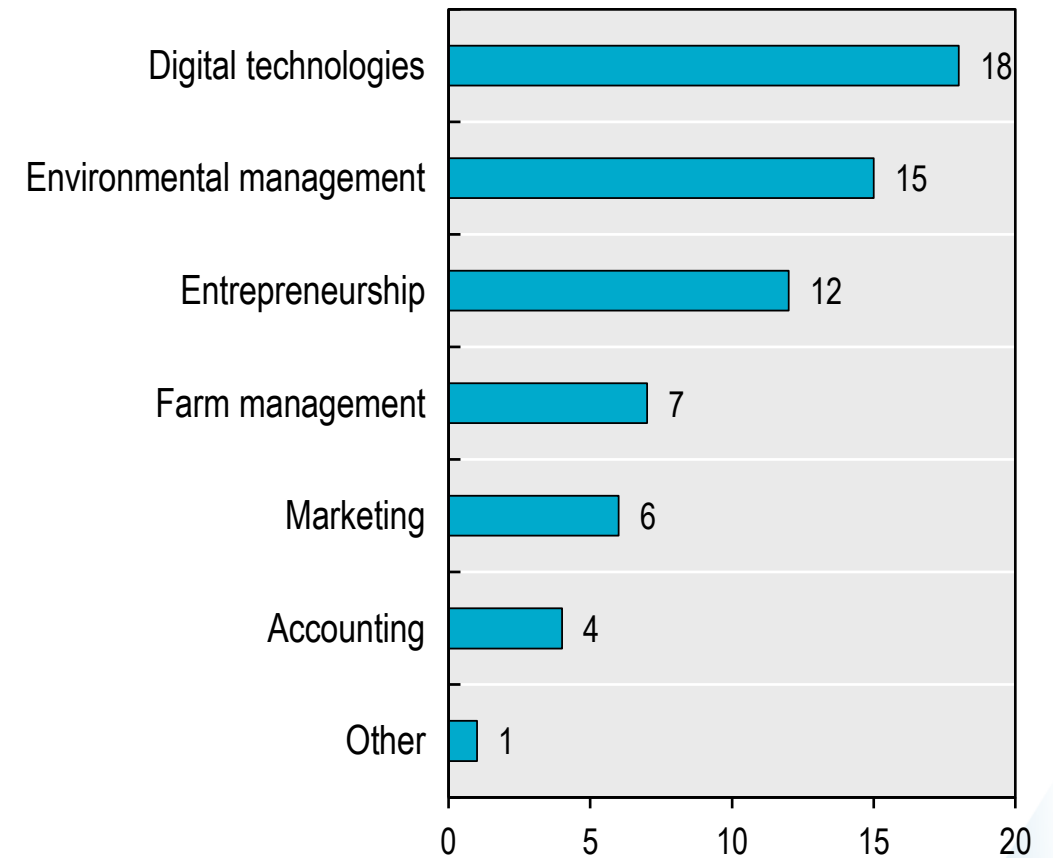
A robust skills agenda is needed to support the transformation of the sector

Qualification mismatches in the European Union



Source: OECD (2022), Skills for Jobs database

Long-term skills needs identified by the EU Member States



Note: N=21

Source: OECD (2022), EU Member States survey



Farm advisory services are often not sufficiently well geared for the future needs

- Advice and training for farmers are essential for
 - helping farmers find solutions,
 - leading to greater uptake of innovation and
 - booting sustainability of the sector.
- Funding for relevant policy instruments is marginal within the overall CAP budget
- Demand for advice seems to be fragmented



Recommendations



How to advance in reconciling productivity and sustainability?

Area	15 Recommendations - 41 actions for the current and next programming period
Payments	<ol style="list-style-type: none">1. Align CAP budget allocation with stated priorities2. Link payment to monitorable performance3. Transition to targeted income support4. Ensure that CAP payments do not create barriers to entry
Regulations	<ol style="list-style-type: none">5. Enhance regulatory design6. Refocus the role of cross-compliance
Innovation	<ol style="list-style-type: none">7. Bring innovation to the centre of EU agricultural policy8. Steer innovation efforts towards sustainability9. Build a new and strong skills agenda
Data strategies	<ol style="list-style-type: none">10. Strengthen the agro-food data strategy11. Enhance digitalisation12. Facilitate policy learning by addressing data gaps
Environmental services	<ol style="list-style-type: none">13. Promote collective action14. Transform voluntary schemes into result-based payments15. Introduce reporting on results and ex-ante assessment



Bring innovation to the centre of EU agricultural policy

- Encourage EU Member States to establish their own **agro-food innovation strategies** that are fully **integrated into the CAP SPs** and consistent with the EU strategy
- Transform long-term agricultural innovation strategy into a **strong policy programming tool** that effectively links different policy areas
- Undertake a **systematic evaluation** of the functioning of EIP-AGRI Operational Groups and their outcomes



Build a new and strong skills agenda

- Improve the assessment and **outlook of skills requirements** for the agricultural sector
- Develop an ambitious **skills agenda** for the EU agro-food sector and promote [...] the **inclusion of specific measures in the CSPs**
- **Strengthen the system of advisory services**, in particular in the areas of sustainable environmental practices
- Upskill farmers via a **lifelong learning approach** as an integral part of payments for environmental services



Steer innovation efforts towards sustainability

- Use the AKIS strategy and the skills agenda to **increase farmers' awareness of the role of innovation** in tackling productivity-sustainability trade-offs
- Strengthen the **participation of farmers in the AKIS**, both in identifying the environmental challenges and in co-creating solutions



Strengthen data-driven policy design, assessment and monitoring

- Continue to **improve the quality** and availability of existing indicators
- Identify and address **data gaps** to fully adopt a performance-based approach
- Enhance **digital technologies** to better monitor policies, but also to strength advisory services



Main message

Innovation is the key driver
to reconcile productivity and sustainability ambitions of the EGD

Despite a strong overall cross-border innovation system
sustained by Horizon Europe,
innovation, data and digitalisation
are not yet the cornerstone of the CAP and
the current policy and regulatory environment
could prevent innovation



Thank you for your attention



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